

HOUSE BILL 794
By Buttry

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 35,
relative to the submetering of water and sewer services.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 35, is amended by adding
the following language as a new, appropriately designated part.

§ 7-35-501. As used in this part, unless the context clearly indicates otherwise:

(1) "Apartment house" means one or more buildings containing four (4) or
more dwelling units that are occupied primarily for nontransient use, including a
residential condominium whether rented or owner occupied, and if a dwelling unit
is rented, having rental paid at intervals of one (1) month or longer;

(2) "Dwelling unit" means one (1) or more rooms in an apartment house
or condominium, suitable for occupancy as a residence, and containing kitchen
and bathroom facilities, or a manufactured-home in a manufactured-home
community;

(3) "Customer" means the individual, firm or corporation in whose name a
master meter has been connected by a public utility to provide water or sewer
services to an apartment house or manufactured-home community;

(4) "Owner" means the legal titleholder of an apartment house or manufactured-home community and any individual, firm or corporation that purports to be the landlord of tenants in the apartment house or manufactured-home community;

(5) "Tenant" means a person who is entitled to occupy a dwelling unit to the exclusion of others and who is obligated to pay for the occupancy under a written or oral rental agreement;

(6) "Manufactured-home community" means a property on which spaces are rented for the occupancy of:

(i) Manufactured-homes for nontransient residential use and for which rental is paid at intervals of one (1) month or longer; or

(ii) Recreational vehicles for nontransient residential use for a time period of three (3) months or longer;

(7) "Submetering" means the use of a metering device by a customer who receives water and sewer service from a public utility, which metering device measures water supplied to a tenant for the purpose of the customer's charging the tenant of a dwelling unit separately for water and sewer usage; and

(8) "Public utility" means any city, county, utility district or private individual, firm or corporation which provides water or sewer services to the public.

§ 7-35-502.

(1) A customer or owner who provides submetering of each dwelling unit or rental unit in an apartment house or manufactured-home community for the measurement of the quantity of water consumed by the occupants of the unit shall charge tenants separately for water and sewer services only on a pass through allocated basis for the charges incurred

by the customer from the public utility. The charges for a tenant may not exceed the tenant's pro rata share of all water and sewer services used by all of the tenants in the apartment house or manufactured-home community. The tenant shall not be assessed a processing fee, administrative fee or any other fee for the processing or handling of water or sewer billing services.

(2) Any customer or owner who provides submetering shall disclose the submetering to each tenant and obtain from the tenant an acknowledgement of the submetering in a written document.

(3) Submeters installed pursuant to this section must meet the American Water Works Association standards for accuracy.

(4) In rendering charges to tenants pursuant to this section, the customer shall provide:

(A) Beginning and ending meter reads;

(B) A statement that the bill is not from the public utility;

and

(C) A telephone number for tenant inquiries on the bill.

(5) Water and sewer services used by the tenant may not be terminated for nonpayment of submetered bills.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.